

Introduced by Senator Lieu

February 11, 2014

An act to add Section 10343 to the Public Contract Code, relating to public contracts.

LEGISLATIVE COUNSEL'S DIGEST

SB 975, as amended, Lieu. Service contracts: legal compliance.

The State Contract Act requires an applicable state department to require a prospective bidder on a public works project to answer questions inquiring whether, and if applicable explain the circumstances, the prospective bidder has ever been disqualified, removed, or otherwise prevented from bidding on, or completing a federal, state, or local government project because of a violation of law or a safety regulation. Existing law requires the questionnaire to be completed under the penalty of perjury. Existing law authorizes the department to reject the bid of a bidder who has been disqualified, removed, or otherwise prevented from bidding on, or completing a federal, state, or local project because of a violation of law or a safety regulation.

Existing law requires a competitive bidding process for certain contracts, including amendments, entered into by any state agency for services to be rendered to the state, whether or not the services involve the furnishing or use of equipment, materials, or supplies, or are performed by an independent contractor.

This bill would require the Department of General Services or a state agency, as defined, to require a bidder for a service contract to pledge compliance, under the penalty of perjury, with all applicable state taxes, and all laws and regulations relating to health and safety, labor and

employment, and licensing relevant to the bidder's employees, worksite, ~~and bid, and contract~~. The bill would prohibit the department or a state agency from awarding a service contract to a bidder who does not affirmatively pledge compliance, as specified. The bill would also prohibit the department or a state agency from awarding a contract to a bidder with an adjudicated record of repeated noncompliance with applicable state taxes, laws, and regulations. By expanding the ~~scope~~ *scope* of the crime of perjury, the bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: yes.

The people of the State of California do enact as follows:

1 SECTION 1. Section 10343 is added to the Public Contract
2 Code, to read:

3 10343. (a) (1) A state agency or the department shall require
4 from a bidder the completion, under penalty of perjury, of a
5 standard form pledging compliance of the bidder with all applicable
6 state taxes, and all laws and regulations relating to health and
7 safety, labor and employment, and licensing relevant to the bidder's
8 employees, worksite, ~~and bid, and contract~~.

9 (2) A state agency or the department shall not award a contract
10 to a bidder who does not affirmatively pledge, under penalty of
11 perjury, compliance pursuant to subdivision (a).

12 (b) A state agency or the department shall not award a contract
13 to a bidder with an adjudicated record of repeated noncompliance
14 with applicable state taxes, or with laws and regulations relating
15 to the health and safety, labor and employment, and licensing
16 relevant to the bidder's employees, worksite, and bid.

17 SEC. 2. No reimbursement is required by this act pursuant to
18 Section 6 of Article XIII B of the California Constitution because
19 the only costs that may be incurred by a local agency or school
20 district will be incurred because this act creates a new crime or
21 infraction, eliminates a crime or infraction, or changes the penalty

1 for a crime or infraction, within the meaning of Section 17556 of
2 the Government Code, or changes the definition of a crime within
3 the meaning of Section 6 of Article XIII B of the California
4 Constitution.

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